



February 2, 2018

Department of the Army
Los Angeles District, U.S. Army Corps of Engineers
Attn: Shannon Pankratz
Regulatory Division, CESPL-RG
915 Wilshire Blvd., Suite 930
Los Angeles, CA 90017
Shannon.L.Pankratz@usace.army.mil

RE: Petersen Ranch Mitigation Bank (File No. SPL-2012-00669-BEM, CDFW Tracking No: 1600-2015-0075-R5)

Dear IRT Members,

Pursuant to Section XII.C.3 of the Bank Enabling Instrument, we are seeking a change in the Bank Sponsor from Land Veritas Corp. to Land Veritas, LLC. This change is being made solely for tax purposes and I will continue in my role as Manager.

The text of Section XII.C.3 is as follows:

The Bank Sponsor may sell or convey its interest in the Bank at any time, provided that Bank Sponsor is in full compliance with all requirements of this BEI (including all financial assurance requirements), and subject to the prior written approval of the IRT. If any of the financial assurances required under this BEI are not completely funded (except for the Endowment Fund) at the time the Bank Sponsor requests IRT approval of a sale or conveyance, then the IRT shall not approve such sale or conveyance unless and until either the current Bank Sponsor, or the proposed replacement Bank Sponsor, shall have provided all required financial assurances (except fully funding the Endowment Fund). In addition, prior to sale or conveyance, the Bank Sponsor shall provide to each member of the IRT a written agreement signed by the replacement Bank Sponsor in which the Bank Sponsor assigns to the replacement Bank Sponsor, and the replacement Bank Sponsor assumes and agrees to perform, all of the responsibilities and obligations of the Bank Sponsor under the BEI. Any such sale or conveyance made without the prior written concurrence of the IRT may, at the discretion of the IRT, result in the termination of this BEI according to Section XII.D.3.c.

We are in full compliance with all requirements of the BEI. In accordance with the above provision, attached is the executed Assignment & Assumption Agreement for the Petersen Ranch Mitigation Bank Sponsor. We are hereby requesting your approval of the replacement Bank Sponsor. If you have any questions, please contact me or our attorney, Mark Ostoich of Gresham Savage, at the email address below.



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Sincerely,

LAND VERITAS, LLC

H. Tracey Brownfield, Manager

Cc: Sarvy Mahdavi Mahdavi.Sarvy@epa.gov
Jan Zimmerman jan.zimmerman@waterboards.ca.gov
Warren Wong Warren.Wong@wildlife.ca.gov
Nate Bello bello@wra-ca.com
Julie Beeman jbeeman@vcsenviromental.com
Mark Ostoich, Esquire Mark.Ostoich@greshamsavage.com
Shelli Lamb slamb@srma-ca.org

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement is made and entered into this 1st day of February, 2018, by and between Land Veritas Corp., a California corporation ("Assignor"), and Land Veritas, LLC, a California limited liability company ("Assignee").

RECITALS

This Agreement is made with reference to the following facts:

A. Assignor has previously entered into a Bank Enabling Instrument ("BEI") dated May 11, 2016 relating to the Petersen Ranch Mitigation Bank, the parties to which are Assignor, LV-BP Investors Ranch, LLC ("Petersen Ranch Property Owner"), LV Lake Elizabeth, LLC ("Elizabeth Lake Property Owner"), the Los Angeles District of the U.S. Army Corps of Engineers ("USACE"), Region IX of the U.S. Environmental Protection Agency ("USEPA"), California Regional Water Quality Control Board, Region 6v ("Lahontan Regional Water Board"), and the California Department of Fish and Wildlife ("CDFW"), South Coast Region.

B. Assignor is currently designated as the "Sponsor" under the BEI.

C. Assignor desires to assign its rights and delegate its obligations as Sponsor under the BEI to Assignee, and Assignee is willing to accept the rights and to assume the obligations as Sponsor under the BEI (the "Assignment and Assumption").

D. Assignor has sought the approval of the IRT (as defined in the BEI) for the Assignment and Assumption.

E. The IRT has granted its approval to the Assignment and Assumption, as set forth in Exhibit "A" attached hereto.

OPERATIVE PROVISIONS

NOW THEREFORE, the parties hereby agree as follows:

1. **Assignment.** For value received, Assignor hereby transfers, conveys and assigns to Assignee all of its right, title and interest as Sponsor under the BEI, and delegates to Assignee all of its obligations as Sponsor under the BEI. This assignment and delegation shall be effective as of the date of this Agreement. Assignor shall defend, indemnify and hold Assignee harmless from and against any and all loss, liability, damage or expense for matters arising or accruing and which relate to the position of Sponsor under the BEI prior to the effective date of this Assignment.
2. **Assumption.** In consideration of the foregoing assignment, from and after the effective date, Assignee hereby accepts from Assignor all rights relating to the position of Sponsor under the BEI, and assumes the obligation to perform all obligations devolving upon the Sponsor under the BEI as though Assignee had been the original Sponsor under the BEI. Assignee shall defend, indemnify and hold Assignor harmless from and against any and all loss, liability, damage or expense for matters arising or accruing and which relate to the position of Sponsor under the BEI after the effective date of this Assignment.
3. **Representation & Warranty.** In accordance with Section XII.C.3 of the BEI, Assignor hereby represents and warrants that Assignor is in full compliance with all requirements of the BEI, including all financial assurance requirements, and that all financial assurances required under the BEI (except for the Endowment Fund) are completely funded.
4. **Notices.** All notices and other communications required or permitted to be given hereunder shall be in writing and shall be sent by: (i) certified or registered mail, postage prepaid, return receipt requested, (ii) personal delivery, or (iii) a recognized overnight carrier that provides proof of delivery, and shall be addressed as follows:

If to Assignor:

If to Assignee:

Land Veritas Corp.
1001 Bridgeway #246
Sausalito, CA 946965

Land Veritas LLC
1001 Bridgeway #246
Sausalito, CA 946965

Notices shall be deemed effective only upon receipt, rejection, or carrier's notice of inability to deliver. Each party may change its address for purposes of this paragraph by giving written notice of such change in the manner provided for in this paragraph.

5. Electronic Signatures. Facsimile or electronic signatures may be used in place of original signatures on this Agreement. The parties intend to be bound by the signatures on any facsimile or electronic document, and hereby waive any defenses to the enforcement of the terms of this Agreement based on the use of a facsimile or electronic signature; provided, however, that the parties hereby agree to execute and provide to each other original signatures upon request made by either party to the other.

6. Successors and Assigns. Subject to any restriction on assignment contained herein, this Agreement shall be binding upon and shall inure to the benefit of the respective party's successors and assigns.

Signatures follow on next page

Executed to be effective as of the date first set forth above.

ASSIGNOR:

ASSIGNEE:

LAND VERITAS CORP.,
A CALIFORNIA CORPORATION

LAND VERITAS, LLC,
A CALIFORNIA LIMITED LIABILITY
COMPANY

BY:


[SIGNATURE]

H Tracy Brownfield 2/1/18
[PRINTED NAME] [DATE]

ITS: PRESIDENT

[TITLE]

BY:


[SIGNATURE]

H Tracy Brownfield 2/1/18
[PRINTED NAME] [DATE]

ITS: MANAGER

[TITLE]

Exhibit "A"
IRT Approval

to be attached

Exhibit "A"
IRT Approval